



DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

4405.10B

DMC

DEC 21 1983

DMC-90-U-0389 A002

SUBJ: SOURCE SELECTION

1. PURPOSE. This order prescribes procedures and assigns responsibilities within FAA for soliciting, evaluating, and selecting sources to perform major negotiated procurements, including the use of a Source Evaluation Board. This order also implements and transmits as Appendix 1, Order DOT 4200.11A, Source Selection, including change 1 to that order. Since this order does not duplicate material in the DOT order, it is essential that both orders be read as one document.
2. DISTRIBUTION. This order is distributed to the branch level in Washington, regions, centers, and Metropolitan Washington Airports.
3. CANCELLATION. Order 4405.10A, Source Selection, dated 4/22/77, is canceled.
4. EXPLANATION OF CHANGES.
 - a. The dollar threshold for application in this order is increased (paragraph 6).
 - b. The Source Selection Official is designated as the Secretary/Deputy Secretary or Assistant Secretary for Administration, unless specifically delegated (paragraph 7).
5. DEFINITION. Program office, as used in appendix 1, means the office/service, regional, center, or Metropolitan Washington Airports element initiating the requirement.
6. SCOPE.
 - a. The provisions of this order apply to competitively negotiated procurements when:
 - (1) The estimated cost exceeds \$2,000,000; or
 - (2) The estimated cost does not exceed \$2,000,000, but the selected source is likely to receive funding for a future phase or phases of the same project and the aggregate amount of such funding (including the current procurement) is estimated to exceed \$2,000,000; or

(3) The estimated cost exceeds \$1,000,000, and the procurement has for its principal purpose research, development, test, or evaluation of a product or process that is likely to have widespread commercial application, usage, or sale.

b. Exemptions are covered in paragraph 4 of appendix 1.

c. The total estimated amount of concession revenue to the Government during the term of the contract (including any options) shall be used as the basis for determining the applicability of appendix 1 and this order.

d. With respect to procurements below the dollar thresholds referred to in paragraph 6a, the procedures contained in the latest version of Order 4400.12, Use of a Negotiation Team, and Order 4400.6, Evaluation of Solicited Technical Proposals, shall be followed with selection of the contractor to be made by the contracting officer.

7. SOURCE SELECTION OFFICIAL (SSO).

a. Secretary/Deputy Secretary. Paragraph 5a of appendix 1 states that the Secretary/Deputy Secretary shall serve as SSO, unless he/she chooses to delegate his/her authority, for procurements that are estimated to exceed, either on the procurement or through future funding of the procurement, \$5,000,000.

b. Assistant Secretary for Administration. Paragraph 5b of appendix 1 states that the Assistant Secretary for Administration shall serve as SSO for all other procurements subject to this order, unless he/she chooses to delegate his/her authority with respect to a particular procurement.

8. THE SELECTION PLAN (SP). (Reference chapter I of appendix 1).

a. Headquarters. The Plans Branch (ALG-120), Policy and Plans Division, Acquisition and Materiel Service, shall be the office responsible for the preparation of the Selection Plan for those procurements originating in headquarters. ALG-120 shall prepare the SP in accordance with chapter 1 of appendix 1 and coordinate it with the Chief Counsel, program and/or requiring office or service, the Contracts Division (ALG-300), the Industrial Division (ALG-400), and other offices as appropriate. ALG-120 shall be responsible for transmitting the SP to the Office of Installations and Logistics (M-60), if the SSO is at OST.

b. Regions, Centers, and Metropolitan Washington Airports. The Selection Plan shall be prepared by the procurement offices in the regions and centers and the Metropolitan Washington Airports (AMA) in accordance with chapter 1 of appendix 1 and coordinated with counsel, program and/or requiring office or service, and other offices as appropriate. The SP shall be submitted to ALG-120;

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this office shall be responsible for transmitting the SP to M-60, if the SSO is at OST.

c. The Selection Plan must be coordinated with the Administrator prior to submission to the SSO, assuming the SSO is at OST, and must be approved by the Source Selection Official prior to the issuance of the solicitation. Approval of the Selection Plan shall constitute approval of the nominees contained therein.

d. Changes. Changes made subsequent to approval of the Selection Plan, i.e., deviation from the approved SP (e.g., funding changes, contractual considerations, schedule deviations, etc.), or membership of the Source Evaluation Board (SEB), shall be prepared by ALG-120 for headquarters or by the individual procurement offices for region/center/AMA procurements. Such changes shall be coordinated with the offices described in paragraphs 8a and c (headquarters) and paragraphs 8b and c (region/center/AMA) of this order. The chairperson/co-chairperson shall notify, or request approval of, the SSO in accordance with the requirements of chapter I, paragraph 4 of appendix 1.

9. MEMBERSHIP OF THE SOURCE EVALUATION BOARD (SEB). (Reference Chapter II of appendix 1).

a. Headquarters.

(1) The director or head of the office or service which has the primary responsibility for the program, after consultation with the office or service which initiated the requirement, shall nominate a co-chairperson for headquarters procurements, or the chairperson for regional, center, and AMA procurements (subject to the provisions of paragraph 9a(5)); a second technical member, who will have program or technical cognizance over the contract work, and who shall also function as Chairperson of the Technical Evaluation Team; a third technical member within the limitation of paragraph 3b(3) of chapter II of appendix 1; a representative of the maintenance engineering function; and the recording secretary.

(2) The Director, Acquisition and Materiel Service, shall nominate a co-chairperson (for headquarters procurements), a procurement member, a pricing member, and a quality assurance specialist when FAA-STD-016 (Quality Control System Requirements) or FAA-STD-018 (Computer Software Quality Program Requirements) is incorporated into a solicitation for proposals.

(3) The Chief Counsel shall nominate the legal member of the board.

(4) The Director of Personnel and Training, when the furnishing of training services is included in a hardware procurement, shall nominate a member to the board for the evaluation of training.

(5) The directors of the regions and centers, and the Director, Metropolitan Washington Airports, have the option of nominating a procurement official as a co-chairperson. If this option is exercised, the person nominated under paragraph 9a(1) as chairperson shall become a co-chairperson and share the duties and responsibilities of the position equally with the procurement co-chairperson. The members of the SEB shall be nominated utilizing the principles of paragraphs 9a(1), (2), (3), (4), and (5).

b. The chairperson or co-chairpersons will request nominations where teams of specialists, or an individual with special expertise, are required, from the appropriate office or service director in headquarters and from the division level in the regions and centers and Metropolitan Washington Airports. Such teams shall be chaired by an SEB member.

c. The Office of the Assistant Secretary for Administration (M-1) shall nominate an SEB member, if the SSO is the Secretary, Deputy Secretary, or the Assistant Secretary for Administration. If, in addition, the estimated cost of the procurement exceeds \$5,000,000 and the procurement is part of a program subject to the requirements of Order DOT 4200.14B, Major Systems Acquisition Review and Approval, the Office of the Assistant Secretary for Budget and Programs (B-1) shall also nominate an SEB member.

d. The program office, 90 days prior to submission of the Procurement Request to the procurement office, shall provide the names of nominees for the technical members of the SEB to the Plans Branch (ALG-120), Acquisition and Materiel Service, for headquarters procurements, and to the appropriate procurement office for field procurements.

e. The voting members of the SEB shall be:

(1) Headquarters Procurements: (i and ii) The co-chairpersons; (iii) procurement representative; (iv) technical representative having program or technical cognizance over the contract work; (v) a representative with competence in the technical field involved (the representative, however, shall not be from the organizational element having program responsibility for the contract work); and when required, (vi) an M-1 member and (vii) a B-1 member. Generally, the SEB voting membership should not exceed seven, including the co-chairpersons. All other members of the SEB shall be nonvoting members.

(2) Regional/Center/AMA Procurements: If the director does not nominate a procurement co-chairperson (reference paragraph 9a(5)), the pricing specialist shall be a voting member of the SEB.

10. SEB OPERATIONS (Reference chapter III of appendix 1).

a. Role of the SEB Procurement Member.

(1) The procurement member of the SEB, performing as the contracting officer or his/her authorized representative, shall be responsible for performance of the duties stated in paragraph 4 of chapter III of appendix 1.

(2) The SEB may review the draft Request for Proposal, as stated in paragraph 4a of chapter III of appendix 1, but the final review and approval prior to issuance is the responsibility of the contracting officer.

(3) The procurement member shall provide advice, counsel, and guidance to the chairperson/co-chairpersons, or any member of the SEB, on any procurement related matter.

b. Conduct of SEB Activity

(1) SEB duties take priority over normal duty assignments (ref: paragraph 6c of chapter III of appendix 1). If any SEB member's failure to attend meetings prejudices timely SEB activities, in the chairperson's/co-chairperson's opinion, the chairperson/co-chairperson shall attempt to resolve the problem with appropriate agency management officials before requesting the SSO to require the member's attendance or to replace such individual.

(2) The Administrator shall be involved in the SEB operations to the extent outlined in paragraph 6i of chapter III of appendix 1. When the SSO is at OST, the SEB chairperson/co-chairperson together with the contracting officer, or his/her authorized representative on the SEB, and such other SEB members as the chairperson/co-chairperson deems necessary, shall brief the Administrator. The briefing will be conducted sufficiently in advance of the planned submission of the SEB's report to the SSO to allow the Administrator to make written comments to the SSO prior to the SEB's presentation to the SSO.

c. Disclosure of Information.

(1) Disclosure of information related to the Source Selection proceedings, to other than the Administrator, may only be authorized by the SSO. If the SEB chairperson/co-chairperson or any SEB member disagrees with the proposed release of information he/she shall immediately make his/her objection known to the SSO in writing.

(2) The contracting officer, or his/her authorized representative on the SEB, shall receive all requests for information under the Freedom of Information Act (FOIA). The contracting officer, or his/her authorized representative on the SEB, shall assure that the FOIA request is processed in accordance with the latest version of Order 1200.23, Public Availability of Information.

d. Conflict of Interest. At the first meeting of the SEB, the chairperson/co-chairperson shall insure that all members of the SEB, and all advisors to the SEB, are made aware of the requirements of paragraph 8 of chapter III of appendix 1. All members will be informed that they are responsible for insuring that they are free of any financial or employment interests which conflict or give the appearance of conflicting with their duty to evaluate proposals impartially and objectively, or to advise concerning the evaluation of proposals. SEB or team nominees, members, or advisors shall inform the SEB chairperson/co-chairperson of any interest which may conflict with his/her duties. The SEB chairperson/co-chairperson, after a thorough examination of the facts, which includes coordination with the representative from the cognizant legal office, shall refer all potential conflict of interest cases to the SSO for his/her consideration. The SEB file should clearly document the action taken on all conflicts of interest cases.

e. PRELIMINARY CONSIDERATIONS. (Reference chapter VII of appendix 1.) Paragraphs 3 and 8 of chapter VII of appendix 1 require prompt notification by the SEB of offerors who have been eliminated from further consideration. The contracting officer, or his/her authorized representative on the SEB, shall provide such written notification. The SEB chairperson/co-chairpersons shall advise the SSO, via AOA-1, of any such intended action, at least 5 working days prior to such notification to unacceptable offerors. If requested, the SEB chairperson/co-chairpersons shall be prepared to furnish the SSO or AOA-1 appropriate rationale for its decision.

12. DETERMINATION OF COMPETITIVE RANGE. (Reference chapter VIII of appendix 1.)

a. An offeror's response to a cited weakness, as described by paragraph 2a, chapter VIII of appendix 1, shall be provided to the SEB by the contracting officer, or his/her authorized representative on the board.

b. If the SSO requests an oral presentation from the SEB, the contracting officer, or his/her authorized representative on the board, shall attend, in addition to those specified by paragraph 6, chapter VIII of appendix 1.

13. NEGOTIATIONS AND FINAL EVALUATION. (Reference chapter IX of appendix 1.)

a. Negotiations.

(1) Negotiations shall be conducted in accordance with the latest version of Order 4400.12, Use of a Negotiation Team, with all offerors who are found to be within the competitive range.

(2) The contracting officer, or his/her authorized representative on the board, shall:

(a) Submit the proposed negotiation positions and objectives to the SEB for review, prior to the commencement of negotiations.

(b) Submit a written report to the SEB on the results of the negotiation.

b. For major system acquisitions as defined in Order 1810.1C, System Acquisition Management, the SEB shall consider the independent cost estimates prepared by the Office of Aviation Policy and Plans when evaluating the reasonableness of price proposals.

c. Source Selection. The SSO's written determination and selection shall be forwarded to the contracting officer for inclusion in the contract file. This statement should be sufficient to allow for debriefing of unsuccessful offerors, or shall be accompanied by a statement documenting the basis for his/her decision.

d. "Lessons Learned" Memorandum. The memorandum, referred to in paragraph 6 of chapter IX of appendix 1, shall be submitted by the chairperson/co-chairpersons to M-60 via the Director, Acquisition and Materiel Service, ALG-1.

14. DEBRIEFING OF UNSUCCESSFUL OFFERORS. (Reference Chapter X of appendix 1.) Debriefing of unsuccessful offerors shall be conducted in accordance with chapter X of appendix 1. The contracting officer, with the assistance of any SEB members he/she may request, shall conduct the debriefing.

-Helms
J. Lynn Helms
Administrator